

"(1) the increase in cost or reduction in scope is approved by the Secretary concerned:

"(2) the Secretary concerned notifies the appropriate committees of Congress in writing of the increase or reduction and the reasons therefor; and

"(3) a period of 21 days has elapsed after the date on which the notification is received by the committees;

"(d) The limitation on cost increases in subsection (a) does not apply to a within-scope modification to a contract or to the settlement of a contractor claim under a contract if the increase in cost is approved by the Secretary concerned, and the Secretary concerned promptly submits written notification of the facts relating to the proposed increase in cost to the appropriate committees of Congress."

SEC. 2809. LEASE-PURCHASE OF FACILITIES

(a) IN GENERAL.—Chapter 169 of title 10, United States Code, is amended by adding at the end of subchapter I the following new section:

"§ 2812. Lease-purchase of facilities

"(a)(1) The Secretary concerned may enter into an agreement with a private contractor for the lease of a facility of the kind specified in paragraph (2) if the facility is provided at the expense of the contractor on a military installation under the jurisdiction of the Department of Defense.

"(2) The facilities that may be leased pursuant to paragraph (1) are as follows:

"(A) Administrative office facilities.

"(B) Troop housing facilities.

"(C) Energy production facilities.

"(D) Utilities, including potable and waste water treatment facilities.

"(E) Hospital and medical facilities.

"(F) Transient quarters.

"(G) Depot or storage facilities.

"(H) Child care centers.

"(b) Leases entered into under subsection (a) —

"(1) may not exceed a term of 32 years;

"(2) shall provide that, at the end of the term of the lease, title to the leased facility shall vest in the United States; and

"(3) shall include such other terms and conditions as the Secretary concerned determines are necessary or desirable to protect the interests of the United States.

"(c) ~~X~~D The Secretary concerned may not enter into a lease under this section until —

"(A) the Secretary submits to the appropriate committees of Congress a justification of the need for the facility for which the proposed lease is being entered into and an economic analysis (based upon accepted life-cycle costing procedures) that demonstrates the cost effectiveness of the proposed lease compared with a military construction project for the same facility:

"(B) a period of 21 days has expired following the date on which the justification and economic analysis are received by the committees.

"(2) Each Secretary concerned may, under this section, enter into ~~_____~~